

[DRAFT COMMITTEE PRINT]

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(Showing the Text of H.R. 4445 as Reported by the Subcommittee on Telecommunications, Trade, and Consumer Protection)

1 **SECTION. 1. SHORT TITLE.**

2 This Act may be cited as the “Reciprocal Compensation Adjustment Act of 2000”.

4 **SEC. 2. IMPLEMENTATION OF BILL-AND-KEEP IN PLACE OF**
5 **RECIPROCAL COMPENSATION REQUIRE-**
6 **MENT.**

7 Section 251 of the Communications Act of 1934 (47
8 U.S.C. 251) is amended—

9 (1) in subsection (b)(5), by inserting before the
10 period at the end the following: “, subject to sub-
11 section (f)(3)”;

12 (2) in subsection (f), by adding at the end the
13 following new paragraph:

14 “(3) CONVERSION TO BILL-AND-KEEP.—

15 “(A) SUNSET OF RECIPROCAL COMPENSA-
16 TION REQUIREMENT.—No local exchange carrier
17 on whose network facilities local tele-
18 communications traffic or Internet tele-
19 communications originate shall be obligated to

1 pay reciprocal compensation, or any other inter-
2 carrier compensation, to any other local ex-
3 change carrier to recover the costs associated
4 with the transport, delivery, and termination of
5 such services or telecommunications. Such costs
6 shall be exclusively recovered through bill-and-
7 keep arrangements that offset and waive recov-
8 ery from the originating carrier, unless other-
9 wise agreed by the interconnecting carriers.

10 “(B) PRESERVATION OF EXPIRING CON-
11 TRACTS.—The provisions relating to reciprocal
12 compensation of any interconnection agreement
13 that expires within 180 days after the date of
14 enactment of the Reciprocal Compensation Ad-
15 justment Act of 2000 shall continue to apply
16 during such 180-day period.

17 “(C) NO EFFECT ON EXISTING RECIP-
18 ROCAL COMPENSATION AGREEMENTS.—This
19 paragraph does not affect the reciprocal com-
20 pensation rights of the parties to any inter-
21 connection agreement in effect on such date of
22 enactment during the existing term of any such
23 agreement.

24 “(D) GRANDFATHERED AGREEMENTS NOT
25 REQUIRED TO BE OFFERED TO OTHER CAR-

1 RIERS.—A local exchange carrier is not re-
2 quired by section 252(i) or any other legal or
3 regulatory requirement to offer to any other
4 carrier any reciprocal compensation arrange-
5 ment that is inconsistent with subparagraph
6 (A) and that is preserved by subparagraph (B)
7 or (C).

8 “(E) COMMISSION JURISDICTION EXCLU-
9 SIVE.—Internet telecommunications are inter-
10 state and interexchange communications subject
11 to the exclusive jurisdiction of the Commission.
12 Notwithstanding any other provision of this
13 Act, the Commission shall not impose access
14 charges, or any other charge for the support of
15 the local loop, on Internet telecommunications.

16 “(F) POINTS OF INTERCONNECTION.—
17 Each telecommunications carrier shall negotiate
18 in good faith under subsection (c)(1) of this
19 section concerning points of interconnection for
20 transport, delivery, and termination of Internet
21 telecommunications in order to ensure network
22 integrity and service quality.

23 “(G) PROTECTION OF CONSUMER
24 PRICES.—

1 “(i) COMMISSION RULES REQUIRED.—

2 If the Comptroller General determines and
3 publishes in the report required by section
4 3(b) of the Reciprocal Compensation Ad-
5 justment Act of 2000 a finding that the
6 provisions of such Act will cause an unrea-
7 sonable increase in the aggregate or aver-
8 age costs to consumers nationwide for ac-
9 cess to the Internet, the Commission shall,
10 within 90 days after the date of publica-
11 tion of such report, prescribe a competi-
12 tively neutral, nondiscriminatory, and cost-
13 based mechanism, other than reciprocal
14 compensation or per-minute charges, to
15 maintain reasonable prices for such access
16 consistent with clause (ii).

17 “(ii) EQUIVALENT OPPORTUNITY.—In
18 any mechanism prescribed under clause (i),
19 each local exchange carrier operating in a
20 State shall have an equivalent opportunity
21 to that provided to any other local ex-
22 change carrier operating in such State to
23 recover the costs of transporting, deliv-
24 ering, or terminating Internet tele-
25 communication.

1 “(H) DEFINITIONS.—For the purposes of
2 this paragraph:

3 “(i) The term ‘Internet telecommuni-
4 cations’ means telecommunications to the
5 Internet or to an Internet service provider.

6 “(ii) The term ‘local telecommuni-
7 cations traffic’ means (I) local exchange
8 service, and (II) commercial mobile radio
9 service that originates and terminates
10 within the same major trading area, as de-
11 fined in section 24.202(a) of the Commis-
12 sion’s regulations (47 C. F. R. 24.202(a)).

13 “(iii) The term ‘existing term’ means
14 the initial period of any interconnection
15 agreement and does not include any period
16 provided for negotiation or any extension
17 of the initial period.

18 “(iv) The term ‘Internet service pro-
19 vider’ means a provider of access to the
20 Internet. Such term does not include tele-
21 communications services.”.

22 **SEC. 3. GENERAL ACCOUNTING OFFICE STUDY.**

23 (a) STUDY REQUIRED.—The Comptroller General
24 shall conduct a study on the effects, if any, the enactment
25 of this Act will have on the costs to consumers for access

1 to the Internet. Such study shall consider, among other
2 things—

3 (1) the state of competition in the dial-up Inter-
4 net access market;

5 (2) empirical evidence regarding the effect on
6 consumers prices of bill-and-keep arrangements in
7 States that have adopted such arrangements; and

8 (3) the relative market share of incumbent and
9 competing local exchange carriers serving sub-
10 scribers in the business of providing Internet access
11 services to consumers.

12 (b) REPORT REQUIRED.—Within 90 days after the
13 date of enactment of this Act, the Comptroller General
14 shall submit to the Committee on Commerce of the House
15 of Representatives and the Committee on Commerce,
16 Science, and Transportation of the Senate a report on the
17 study required by subsection (a). Such report shall include
18 a finding concerning whether the provisions of this Act
19 will cause an unreasonable increase in the aggregate or
20 average costs to consumers nationwide for access to the
21 Internet.